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BEFORE THE ARIZONA CORPORATION COMMISSION

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BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
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AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF
LITCHFIELD PARK SERVICE COMPANY, AN
ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE OF ITS
UTILITY PLANTS AND PROPERTY AND FOR
INCREASES IN ITS WASTEWATER RATES AND
CHARGES BASED THEREON FOR UTILITY
SERVICE.

DOCKET NO. SW-01428A-13-0042

IN THE MATTER OF THE APPLICATION OF
LITCHFIELD PARK SERVICE COMPANY, AN
ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE OF ITS
UTILITY PLANTS AND PROPERTY AND FOR
INCREASES IN ITS WATER RATES AND
CHARGES BASED THEREON FOR UTILITY
SERVICE.

DOCKET NO. W-01427A-13-0043

**STAFF'S NOTICE OF FILING
DIRECT TESTIMONY**

The Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") hereby files the Direct Testimony relating to rate design of Staff witness Darron W. Carlson in the above-referenced matter.

RESPECTFULLY SUBMITTED this 4th day of October, 2013.

Arizona Corporation Commission

DOCKETED

OCT 04 2013

DOCKETED BY

Robin R. Mitchell, Staff Attorney
Matthew Laudone, Staff Attorney
Legal Division
Arizona Corporation Commission
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1 Original and thirteen (13) copies
2 of the foregoing filed this
3 4th day of October, 2013 with:

4 Docket Control
5 Arizona Corporation Commission
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7 Phoenix, AZ 85006

8 Copy of the foregoing mailed and/or emailed
9 this 4th day of October, 2013 to:

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BEFORE THE ARIZONA CORPORATION COMMISSION

BOB STUMP

Chairman

GARY PIERCE

Commissioner

BRENDA BURNS

Commissioner

BOB BURNS

Commissioner

SUSAN BITTER SMITH

Commissioner

IN THE MATTER OF THE APPLICATION OF)
LITCHFIELD PARK SERVICE COMPANY, AN)
ARIZONA CORPORATION, FOR A)
DETERMINATION OF THE FAIR VALUE OF)
ITS UTILITY PLANTS AND PROPERTY AND)
FOR INCREASES IN ITS WASTEWATER)
RATES AND CHARGES BASED THEREON)
FOR UTILITY SERVICE.)
_____)

DOCKET NO. SW-01427A-13-0042

IN THE MATTER OF THE APPLICATION OF)
LITCHFIELD PARK SERVICE COMPANY, AN)
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RATES AND CHARGES BASED THEREON)
FOR UTILITY SERVICE.)
_____)

DOCKET NO. W-01428A-13-0043

RATE DESIGN

DIRECT TESTIMONY OF

DARRON W. CARLSON

PUBLIC UTILITIES ANALYST MANAGER

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

OCTOBER 4, 2013

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WASTEWATER SCHEDULES

Rate Design.....	DWC-WW1
Typical Bill Analysis	DWC-WW2

EXECUTIVE SUMMARY
LITCHFIELD PARK SERVICE COMPANY
DOCKET NOS. SW-01427A-13-0042 AND W-01427A-13-0043

Litchfield Park Service Company ("Company") is an Arizona "C" corporation. Its principal place of business is 12725 W. Indian School Road, Suite D-101, Avondale, Arizona. The Company is engaged in the business of providing water and wastewater utility services in its certificated areas in portions of Maricopa County, Arizona. The Company served approximately 16,800 water customers and 16,160 wastewater customers during the test year ended December 31, 2012.

Water Division Rate Design

The Company-proposed rates include a monthly minimum charge based on meter size and an inverted four-tier commodity usage rate for residential customers or an inverted two-tier commodity usage rate for commercial, irrigation, and all customer classes with 1-1/2 inch meters or larger. The Company-proposed rates would increase the monthly bill for a typical 5/8 X 3/4 - inch meter residential customer, with a median usage of 5,000 gallons, by \$5.99 (35.19 percent) from \$17.02 to \$23.01.

The Utilities Division ("Staff") recommended rates also include a monthly minimum charge based on meter size and an inverted four-tier commodity usage rate for residential customers or an inverted two-tier commodity usage rate for commercial, irrigation, and all customer classes with 1-1/2 inch meters or larger. Staff's recommended rates would decrease the monthly bill for a typical 5/8 X 3/4 - inch meter residential customer, with a median usage of 5,000 gallons, by \$1.27 (7.46 percent) from \$17.02 to \$15.75.

Wastewater Division Rate Design

The Company-proposed rates include a flat rate based on customer class for most customer classes and includes a single-tier commodity water usage rate for certain commercial customers as indicated on Schedule DWC-WW1. The Company-proposed rates would increase the monthly bill for a typical residential customer by \$2.63 (6.75 percent) from \$38.99 to \$41.62.

Staff recommended rates also include a flat rate based on customer class for most customer classes and includes a single-tier commodity water usage rate for certain commercial customers as indicated on Schedule DWC-WW1. Staff recommended rates would decrease the monthly bill for a typical residential customer by \$0.21 (0.55 percent) from \$38.99 to \$38.78.

I. INTRODUCTION

Q. Please state your name, occupation, and business address.

A. My name is Darron W. Carlson. I am a Public Utilities Analyst Manager employed by the Arizona Corporation Commission ("Commission") in the Utilities Division ("Staff"). My business address is 1200 West Washington Street, Phoenix, Arizona 85007.

Q. Are you the same Darron Carlson who previously filed direct testimony regarding the revenue requirements in this docket?

A. Yes, I am. I filed that direct testimony on September 26, 2013.

II. BACKGROUND

Q. Please describe the operations of the applicant Litchfield Park Service Company ("LPSCO" or "Company").

A. LPSCO is an Arizona "C" corporation. Its principle place of business is 12725 West Indian School Road, Suite D-101, Avondale, Arizona. LPSCO is engaged in the business of providing water and wastewater utility services in its certificated areas in portions of Maricopa County, Arizona. The Company served approximately 16,800 water customers and 16,160 wastewater customers during the test year ended December 31, 2012.

Q. When were the Company's current rates approved?

A. The Company's current rates were approved in Decision No. 72026, dated December 10, 2010.

III. WATER RATE DESIGN

Q. Please describe the Company's current rate design.

A. The Company's current rate design includes a monthly minimum charge based on meter size and an inverted three-tier commodity usage rate for residential customers or an inverted two-tier commodity usage rate for commercial, irrigation, and all customer classes with 1-1/2 inch meters or larger.

Q. Please describe the Company's proposed rate design.

A. The Company-proposed rate design includes a monthly minimum charge based on meter size and an inverted four-tier commodity usage rate for residential customers or an inverted two-tier commodity usage rate for commercial, irrigation, and all customer classes with 1-1/2 inch meters or larger.

Q. Please describe Staff's proposed rate design.

A. Staff's recommended rate design also includes a monthly minimum charge based on meter size and an inverted four-tier commodity usage rate for residential customers or an inverted two-tier commodity usage rate for commercial, irrigation, and all customer classes with 1-1/2 inch meters or larger.

Q. Where can one see and compare the current, Company-proposed, and Staff-recommended rates?

A. All of these rates can be seen and compared on the attached Schedule DWC-W1.

1 **Q. What is the effect of the Company's proposed rates on the typical residential**
2 **customer?**

3 A. The Company-proposed rates would increase the monthly bill for a typical 5/8 X 3/4 -
4 inch meter residential customer, with a median usage of 5,000 gallons, by \$5.99 (35.19
5 percent) from \$17.02 to \$23.01. See Schedule DWC-W2.

6
7 **Q. What is the effect of Staff's recommended rates on the typical residential customer?**

8 A. Staff's recommended rates would decrease the monthly bill for a typical 5/8 X 3/4 - inch
9 meter residential customer, with a median usage of 5,000 gallons, by \$1.27 (7.46 percent)
10 from \$17.02 to \$15.75. See Schedule SWC-W2.

11
12 **IV. WASTEWATER RATE DESIGN**

13 **Q. Please describe the Company's current rate design.**

14 A. The Company's current rate design includes a flat rate based on customer class for most
15 customer classes except certain commercial customers, as indicated on Schedule DWC-
16 WW1, also are subject to a single-tier commodity water usage rate.

17
18 **Q. Please describe the Company's proposed rate design.**

19 A. The Company-proposed rate design continues to include a flat rate based on customer
20 class for most customer classes and includes a single-tier commodity water usage rate for
21 certain commercial customers as indicated on Schedule DWC-WW1.

22
23 **Q. Please describe Staff's recommended rate design.**

24 A. The Staff recommended rate design also includes a flat rate based on customer class for
25 most customer classes and includes a single-tier commodity water usage rate for certain
26 commercial customers as indicated on Schedule DWC-WW1.

1 **Q. Where can one see and compare the current, Company-proposed, and Staff-**
2 **recommended rates?**

3 A. All of these rates can be seen and compared on the attached Schedule DWC-WW1.
4

5 **Q. What is the effect of the Company's proposed rates on the typical residential**
6 **customer?**

7 A. The Company-proposed rates would increase the monthly bill for a typical residential
8 customer by \$2.63 (6.75 percent) from \$38.99 to \$41.62. See Schedule DWC-WW2.
9

10 **Q. What is the effect of Staff's recommended rates on the typical residential customer?**

11 A. Staff's recommended rates would decrease the monthly bill for a typical residential
12 customer by \$0.21 (0.55 percent) from \$38.99 to \$38.78. See Schedule DWC-WW2.
13

14 **Q. Does this conclude your rate design direct testimony?**

15 A. Yes, it does.

Monthly Usage Charge	Present	Company Proposed Rates	Staff Recommended Rates
<u>Meter Size (All Classes)</u>			
5/8 x 3/4 Inch	\$ 10.20	\$ 14.50	\$ 10.00
3/4 Inch - Residential	10.20	14.50	10.00
3/4 Inch	10.20	14.50	10.00
1 Inch - Residential	22.95	32.75	25.00
1 Inch	25.50	36.25	27.68
1 1/2 Inch	51.00	72.50	50.00
2 Inch	81.60	116.00	80.00
3 Inch	163.20	232.00	160.00
4 Inch	255.00	362.50	250.00
6 Inch	510.00	725.00	500.00
8 Inch - Bulk Water Only	501.00	575.00	500.00
8 Inch	841.50	1,160.00	800.00
10 Inch	1,173.00	1,667.50	1,150.00
12 Inch	2,193.00	3,117.50	2,150.00
<u>Commodity Charge - Per 1,000 Gallons</u>			
<u>5/8" x 3/4" Meter and 3/4" (Residential)</u>			
First 3,000 gallons	\$ 1.0000	N/A	N/A
3,001 to 9,000 gallons	1.9100	N/A	N/A
Over 9,000 gallons	3.0300	N/A	N/A
First 3,000 gallons	N/A	\$ 1.0000	N/A
3,001 to 11,000 gallons	N/A	2.0000	N/A
11,001 to 30,000 gallons	N/A	3.0500	N/A
Over 30,000 gallons	N/A	3.6600	N/A
First 3,000 gallons	N/A	N/A	\$ 0.7500
3,001 to 9,000 gallons	N/A	N/A	1.7500
9,001 to 20,000 gallons	N/A	N/A	3.5500
Over 20,000 gallons	N/A	N/A	4.0000
<u>5/8" x 3/4" and 3/4" Meter (Commercial & Irrigations)</u>			
First 9,000 gallons	1.9100	2.0000	N/A
Over 9,000 gallons	3.0300	3.6600	N/A
First 9,000 gallons	N/A	N/A	1.7500
Over 9,000 gallons	N/A	N/A	3.5500
<u>1" Meter (Residential)</u>			
First 5,000 gallons	1.0000	N/A	N/A
5,001 to 20,000 gallons	1.9100	N/A	N/A
Over 20,000 gallons	3.0300	N/A	N/A
First 5,000 gallons	N/A	1.0000	N/A
5,001 to 20,000 gallons	N/A	2.0000	N/A
20,001 to 40,000 gallons	N/A	3.0500	N/A
Over 40,000 gallons	N/A	3.6600	N/A
First 3,000 gallons	N/A	N/A	0.7500
3,001 to 20,000 gallons	N/A	N/A	1.7500
20,001 to 37,000 gallons	N/A	N/A	3.5500
Over 37,000 gallons	N/A	N/A	4.0000
<u>1" Meter (Commercial & Irrigations)</u>			
First 20,000 gallons	1.9100	2.0000	N/A
Over 20,000 gallons	3.0300	3.6600	N/A
First 25,000 gallons	N/A	N/A	1.7500
Over 25,000 gallons	N/A	N/A	3.5500
<u>1 1/2" Meter (All Classes)</u>			
First 40,000 gallons	1.9100	2.0000	N/A
Over 40,000 gallons	3.0300	3.6600	N/A
First 37,000 gallons	N/A	N/A	1.7500
Over 37,000 gallons	N/A	N/A	3.5500
<u>2" Meter (All Classes)</u>			
First 60,000 gallons	1.9100	2.0000	N/A
Over 60,000 gallons	3.0300	3.6600	N/A
First 52,000 gallons	N/A	N/A	1.7500
Over 52,000 gallons	N/A	N/A	3.5500
<u>3" Meter (All Classes)</u>			
First 120,000 gallons	1.9100	2.0000	N/A
Over 120,000 gallons	3.0300	3.6600	N/A
First 94,000 gallons	N/A	N/A	1.7500
Over 94,000 gallons	N/A	N/A	3.5500
<u>4" Meter (All Classes)</u>			
First 180,000 gallons	1.9100	2.0000	N/A
Over 180,000 gallons	3.0300	3.6600	N/A
First 140,000 gallons	N/A	N/A	1.7500
Over 140,000 gallons	N/A	N/A	3.5500
<u>6" Meter (All Classes)</u>			
First 360,000 gallons	1.9100	2.0000	N/A
Over 360,000 gallons	3.0300	3.6600	N/A
First 270,000 gallons	N/A	N/A	1.7500
Over 270,000 gallons	N/A	N/A	3.5500
<u>8" Meter (Bulk Resale)</u>			
All Classes	1.5000	1.6500	3.5500
<u>8" Meter (All Classes)</u>			
First 650,000 gallons	1.9100	2.0000	N/A
Over 650,000 gallons	3.0300	3.6600	N/A
First 430,000 gallons	N/A	N/A	1.7500
Over 430,000 gallons	N/A	N/A	3.5500

10" Meter (All Classes)

First 940,000 gallons	1.9100	2.0000	N/A
Over 940,000 gallons	3.0300	3.6600	N/A
First 600,000 gallons	N/A	N/A	1.7500
Over 600,000 gallons	N/A	N/A	3.5500

12" Meter (All Classes)

First 1,248,000 gallons	2.9200	N/A	N/A
Over 1,248,000 gallons	3.6400	N/A	N/A
First 1,000,000 gallons	N/A	N/A	1.7500
Over 1,000,000 gallons	N/A	N/A	3.5500

Construction Hydrants

All Gallons	3.0300	3.6600	3.5500
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Other Service Charges

Establishment (Regular Hours) per Rule R14-2-403D (a)	\$ 20.00	\$ 20.00	\$ 20.00
Establishment (After Hours) per Rule R14-2-403D (a)	\$ 40.00	\$ 40.00	\$ 40.00
Re-Establishment of Service per Rule R14-2-403D (a)	(b)	(b)	(b)
Reconnection (Regular Hours) per Rule R14-2-403D (a)	\$ 50.00	\$ 50.00	\$ 50.00
Reconnection (After Hours) per Rule R14-2-403D (a)	\$ 65.00	\$ 65.00	\$ 65.00
Meter Test (if correct) per Rule R14-2-408F (c)	\$ 25.00	\$ 25.00	\$ 25.00
Meter Reread per Rule R14-2-408C (if correct)	\$ 5.00	\$ 5.00	\$ 5.00
Fire Hydrant Meter Relocation	NT	\$ 50.00	\$ 50.00
Fire Hydrant Meter Repair	NT	Cost	Cost
NSF Check per Rule R14-2-409F (a)	\$ 20.00	\$ 25.00	\$ 25.00
Deferred Payment, Per Month	1.50%	1.50%	1.50%
Late Charge	(d)	(d)	(d)
Service Calls - Per Hour/After Hours(e)	\$ 40.00	\$ 40.00	\$ 40.00
Deposit Requirements	(f)	(f)	(f)
Deposit Interest	\$ 0.04	\$ 0.04	\$ 0.04
Meter and Service lines	See Below	See Below	See Below
Main Extension Tariff	at Cost	at Cost	at Cost

(a) Service charges for customers taking both water and sewer service are not duplicative.

(b) Minimum charge times number of full months off the system, per Rule R14-2-403(D).

(c) \$25 plus cost of test

(d) Greater of \$5.00 or 1.5% of unpaid balance.

(e) No charge for service calls during normal working hours.

(f) Per ACC Rules R14-2-403(B) Residential - two times the average bill.

Commercial - two and one-half times the average bill.

Refundable Meter and Service Line Charges

	Present Service Line Charge	Present Meter Installation Charge	Total Present Charge	Proposed Service Line Charge	Proposed Meter Installation Charge	Total Proposed Charge	Recommended Service Line Charge	Recommended Meter Installation Charge	Total Recommended Charge
5/8 x 3/4 Inch	\$ 385.00	\$ 135.00	\$ 520.00	\$ 385.00	\$ 135.00	\$ 520.00	\$ 385.00	\$ 135.00	\$ 520.00
3/4 Inch	\$ 385.00	\$ 215.00	\$ 600.00	\$ 385.00	\$ 215.00	\$ 600.00	\$ 385.00	\$ 215.00	\$ 600.00
1 Inch	\$ 435.00	\$ 255.00	\$ 690.00	\$ 435.00	\$ 255.00	\$ 690.00	\$ 435.00	\$ 255.00	\$ 690.00
1 1/2 Inch	\$ 470.00	\$ 465.00	\$ 935.00	\$ 470.00	\$ 465.00	\$ 935.00	\$ 470.00	\$ 465.00	\$ 935.00
2 Inch / Turbine	\$ 630.00	\$ 965.00	\$ 1,595.00	\$ 630.00	\$ 965.00	\$ 1,595.00	\$ 630.00	\$ 965.00	\$ 1,595.00
2 Inch / Compound	\$ 630.00	\$ 1,690.00	\$ 2,320.00	\$ 630.00	\$ 1,690.00	\$ 2,320.00	\$ 630.00	\$ 1,690.00	\$ 2,320.00
3 Inch / Turbine	\$ 805.00	\$ 1,470.00	\$ 2,275.00	\$ 805.00	\$ 1,470.00	\$ 2,275.00	\$ 805.00	\$ 1,470.00	\$ 2,275.00
3 Inch / Compound	\$ 845.00	\$ 2,265.00	\$ 3,110.00	\$ 845.00	\$ 2,265.00	\$ 3,110.00	\$ 845.00	\$ 2,265.00	\$ 3,110.00
4 Inch / Turbine	\$ 1,170.00	\$ 2,350.00	\$ 3,520.00	\$ 1,170.00	\$ 2,350.00	\$ 3,520.00	\$ 1,170.00	\$ 2,350.00	\$ 3,520.00
4 Inch / Compound	\$ 1,230.00	\$ 3,245.00	\$ 4,475.00	\$ 1,230.00	\$ 3,245.00	\$ 4,475.00	\$ 1,230.00	\$ 3,245.00	\$ 4,475.00
6 Inch / Turbine	\$ 1,730.00	\$ 4,545.00	\$ 6,275.00	\$ 1,730.00	\$ 4,545.00	\$ 6,275.00	\$ 1,730.00	\$ 4,545.00	\$ 6,275.00
6 Inch / Compound	\$ 1,770.00	\$ 6,280.00	\$ 8,050.00	\$ 1,770.00	\$ 6,280.00	\$ 8,050.00	\$ 1,770.00	\$ 6,280.00	\$ 8,050.00
8 Inch & Larger	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost

Hydrant Meter Deposit*

	Present Charge	Proposed Charge	Proposed Charge
5/8 x 3/4 Inch	\$ 135.00	\$ 135.00	\$ 135.00
3/4 Inch	\$ 215.00	\$ 215.00	\$ 215.00
1 Inch	\$ 255.00	\$ 255.00	\$ 255.00
1 1/2 Inch	\$ 465.00	\$ 465.00	\$ 465.00
2 Inch / Turbine	\$ 965.00	\$ 965.00	\$ 965.00
2 Inch / Compound	\$ 1,690.00	\$ 1,690.00	\$ 1,690.00
3 Inch / Turbine	\$ 1,470.00	\$ 1,470.00	\$ 1,470.00
3 Inch / Compound	\$ 2,265.00	\$ 2,265.00	\$ 2,265.00
4 Inch / Turbine	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00
4 Inch / Compound	\$ 3,245.00	\$ 3,245.00	\$ 3,245.00
6 Inch / Turbine	\$ 4,545.00	\$ 4,545.00	\$ 4,545.00
6 Inch / Compound	\$ 6,280.00	\$ 6,280.00	\$ 6,280.00
8 Inch & Larger	At Cost	At Cost	At Cost

* Shall have a non-interest bearing deposit of the amount indicated, refundable in its entirety upon return of the meter in good condition and payment of the final bill.

Typical Bill Analysis
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	9,061	\$ 24.84	\$ 31.46	\$ 6.61	26.61%
Median Usage	5,000	17.02	23.01	\$ 5.99	35.19%
Staff Recommended					
Average Usage	9,061	\$ 24.84	\$ 22.97	\$ (1.88)	-7.56%
Median Usage	5,000	17.02	15.75	\$ (1.27)	-7.46%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons	Present		Company Proposed		%	Staff Recommended		%
	3/4"		3/4"			3/4"		
	Minimum Charge	\$ 10.20	Minimum Charge	\$ 14.77		Minimum Charge	\$ 10.00	
	1st Tier Rate	1.0000	1st Tier Rate	1.5400		1st Tier Rate	0.7500	
	1st Tier Breakover	3,000	1st Tier Breakover	4,000		1st Tier Breakover	3,000	
	2nd Tier Rate	1.9100	2nd Tier Rate	2.0800		2nd Tier Rate	1.7500	
	2nd Tier Breakover	9,000	2nd Tier Breakover	12,000		2nd Tier Breakover	9,000	
	3rd Tier Rate	3.0300	3rd Tier Rate	2.9500		3rd Tier Rate	3.5500	
Consumption	Rates		Rates		Increase	Rates		Increase
-	\$	10.20	\$	14.77	44.80%	\$	10.00	-1.96%
1,000		11.20		16.31	45.63%		10.75	-4.02%
2,000		12.20		17.85	46.31%		11.50	-5.74%
3,000		13.20		19.39	46.89%		12.25	-7.20%
4,000		15.11		20.93	38.52%		14.00	-7.35%
5,000		17.02		23.01	35.19%		15.75	-7.46%
6,000		18.93		25.09	32.54%		17.50	-7.55%
7,000		20.84		27.17	30.37%		19.25	-7.63%
8,000		22.75		29.25	28.57%		21.00	-7.69%
9,000		24.66		31.33	27.05%		22.75	-7.75%
10,000		27.69		33.41	20.66%		26.30	-5.02%
11,000		30.72		35.49	15.53%		29.85	-2.83%
12,000		33.75		37.57	11.32%		33.40	-1.04%
13,000		36.78		40.52	10.17%		36.95	0.46%
14,000		39.81		43.47	9.19%		40.50	1.73%
15,000		42.84		46.42	8.36%		44.05	2.82%
16,000		45.87		49.37	7.63%		47.60	3.77%
17,000		48.90		52.32	6.99%		51.15	4.60%
18,000		51.93		55.27	6.43%		54.70	5.33%
19,000		54.96		58.22	5.93%		58.25	5.99%
20,000		57.99		61.17	5.48%		61.80	6.57%
25,000		73.14		75.92	3.80%		79.55	8.76%
30,000		88.29		90.67	2.70%		97.30	10.21%
35,000		103.44		105.42	1.91%		115.05	11.22%
40,000		118.59		120.17	1.33%		132.80	11.98%
45,000		133.74		134.92	0.88%		150.55	12.57%
50,000		148.89		149.67	0.52%		168.30	13.04%
75,000		224.64		223.42	-0.54%		257.05	14.43%
100,000		300.39		297.17	-1.07%		345.80	15.12%

Monthly Charge for:	Present	Company Proposed Rates	Staff Recommended Rates
Monthly Residential Service	\$ 38.99	\$ 41.62	38.78
Low Income Residential Service	33.14	35.38	32.96
Multi-Unit Housing - Monthly per Unit	36.19	38.63	35.99
Commercial:			
Small Commercial - Monthly Service	65.93	70.37	65.56
Measured Service:			
Regular Domestic:	36.91	39.40	36.71
Monthly Service Charge	3.22	3.44	3.21
Commodity Charge per 1,000 gallons			
Restaurant, Motels, Grocery Stores & Dry Cleaning Estab.1			
Monthly Service Charge	36.91	39.40	36.71
Commodity Charge per 1,000 gallons	4.30	4.59	4.28
Wigwam Resort:			
Monthly Rate - Per Room	36.19	39.40	35.99
Main Hotel Facilities - Per Month	1,433.30	1,529.90	1,425.41
Schools - Monthly Service Rates:			
Elementary Schools	974.64	1,040.33	969.28
Middle Schools	1,146.64	1,223.92	1,140.33
High Schools	1,146.64	1,223.92	1,140.33
Community College	1,777.29	1,897.08	1,767.51
Effluent2:			
1 Motels without restaurants charged multi-unit monthly rate.			
2 Market Rate - Maximum effluent rate shall not exceed \$430 per acre foot based on a potable water rate of \$1.32 per thousand gallons.			
Late Payment Penalty			
Other Service Charges:			
Establishment (Regular Hours) per Rule R14-2-603D (a)	\$ 20.00	\$ 20.00	\$ 20.00
Establishment (After Hours) per Rule R14-2-603D (a)	\$ 40.00	\$ 40.00	\$ 40.00
Re-Establishment of Service per Rule R14-2-603D (a)	(b)	(b)	(b)
Reconnection (Regular Hours) per Rule R14-2-603D (a)	\$ 50.00	\$ 50.00	\$ 50.00
Reconnection (After Hours) per Rule R14-2-603D (a)	\$ 65.00	\$ 65.00	\$ 65.00
NSF Check, per Rule R14-2-608E (a)	\$ 25.00	\$ 25.00	\$ 25.00
Deferred Payment, Per Month	1.50%	1.50%	1.50%
Late Charge	(c)	(c)	(c)
Service Calls - Per Hour/After Hours(d)	\$ 40.00	\$ 40.00	\$ 40.00
Deposit Requirement	(e)	(e)	(e)
Deposit Interest	3.50%	3.50%	3.50%
Service Lateral Connection Charge- All Sizes	(f)	(f)	(f)
Main Extension Tariff, per Rule R14-2-606B	(g)	(g)	(g)

(a) Service charges for customers taking both water and sewer service are not duplicative.

(b) Minimum charge times number of full months off the system. per Rule R14-2-603D.

(c) Per Rule R14-2-608F. Greater of \$5.00 or 1.5% of unpaid balance.

(d) No charge for service calls during normal working hours.

(e) Per ACC Rules R14-2-603B Residential - two times the average bill.

Non-residential - two and one-half times the average bill.

(f) At cost. Customer/Developer shall install or cause to be installed all Service Laterals as a non-refundable contribution-in-aid of construction..

(g) All Main Extensions shall be completed at cost and shall be treated as non-refundable contribution-in-aid of construction.

Typical Bill Analysis
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	\$ 38.99	\$ 41.62	\$ 2.63	6.75%
Median Usage	-	38.99	41.62	\$ 2.63	6.75%
Staff Recommended					
Average Usage	-	\$ 38.99	\$ 38.78	\$ (0.21)	-0.55%
Median Usage	-	38.99	38.78	\$ (0.21)	-0.55%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons	Present	Company Proposed	%	Staff Recommended	%
	3/4"	3/4"		3/4"	
	Minimum Charge \$ 38.99	Minimum Charge \$ 41.62		Minimum Charge \$ 38.78	
	1st Tier Rate -	1st Tier Rate -		1st Tier Rate -	
	1st Tier Breakover -	1st Tier Breakover -		1st Tier Breakover -	
	2nd Tier Rate -	2nd Tier Rate -		2nd Tier Rate -	
	2nd Tier Breakover -	2nd Tier Breakover -		2nd Tier Breakover -	
	3rd Tier Rate -	3rd Tier Rate -		3rd Tier Rate -	
Consumption	Rates	Rates	Increase	Rates	Increase
-	\$ 38.99	\$ 41.62	6.75%	\$ 38.78	-0.55%
1,000	38.99	41.62	6.75%	38.78	-0.55%
2,000	38.99	41.62	6.75%	38.78	-0.55%
3,000	38.99	41.62	6.75%	38.78	-0.55%
4,000	38.99	41.62	6.75%	38.78	-0.55%
5,000	38.99	41.62	6.75%	38.78	-0.55%
6,000	38.99	41.62	6.75%	38.78	-0.55%
7,000	38.99	41.62	6.75%	38.78	-0.55%
8,000	38.99	41.62	6.75%	38.78	-0.55%
9,000	38.99	41.62	6.75%	38.78	-0.55%
10,000	38.99	41.62	6.75%	38.78	-0.55%
11,000	38.99	41.62	6.75%	38.78	-0.55%
12,000	38.99	41.62	6.75%	38.78	-0.55%
13,000	38.99	41.62	6.75%	38.78	-0.55%
14,000	38.99	41.62	6.75%	38.78	-0.55%
15,000	38.99	41.62	6.75%	38.78	-0.55%
16,000	38.99	41.62	6.75%	38.78	-0.55%
17,000	38.99	41.62	6.75%	38.78	-0.55%
18,000	38.99	41.62	6.75%	38.78	-0.55%
19,000	38.99	41.62	6.75%	38.78	-0.55%
20,000	38.99	41.62	6.75%	38.78	-0.55%
25,000	38.99	41.62	6.75%	38.78	-0.55%
30,000	38.99	41.62	6.75%	38.78	-0.55%
35,000	38.99	41.62	6.75%	38.78	-0.55%
40,000	38.99	41.62	6.75%	38.78	-0.55%
45,000	38.99	41.62	6.75%	38.78	-0.55%
50,000	38.99	41.62	6.75%	38.78	-0.55%
75,000	38.99	41.62	6.75%	38.78	-0.55%
100,000	38.99	41.62	6.75%	38.78	-0.55%